



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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### **22 VAC 40-141 – Department of Social Services Minimum Standards for Licensed Independent Foster Homes May 22, 2003**

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

The proposed amendments to the regulations will allow parents and legal guardians to retain the custody of the children placed in an independent foster home, increase the length of time a child may remain in an independent foster home from 90 days to 180 days, and allow placements longer than 180 days in certain cases. Additionally, numerous health and safety standards will be updated.

### **Estimated Economic Impact**

The proposed amendments to the regulations apply to independent foster homes. These foster homes receive children directly from parents or legal guardians through a temporary entrustment agreement. For example, independent foster homes may receive children from parents deployed for military service overseas, or parents experiencing medical problems to the extent they can no longer care for their children. These foster homes receive children directly from parents independent of local departments of social services and licensed private child-placing agencies and operate independently. In the absence of direct services provided and

monitoring by public child welfare agencies, licensing requirements help ensure that these facilities provide the necessary level of care compatible with health and safety of the children. Although not required, all of the current independent foster homes are also approved to accept children from local departments of social services and/or licensed private child-placing agencies and consequently subject to more stringent health and safety standards.

Currently, there are three licensed independent foster homes in the Commonwealth. The number of children under the care of a licensed independent foster home at a given time is approximately six. The parents needing respite care place about 22 children from time to time, but only three or four of these children reside in independent foster homes at a time. In addition to placements for respite care, there are approximately three placements for other reasons. Parents or legal guardians pay the cost of care.

The proposed amendments will allow parents and legal guardians to retain the custody of the children placed in an independent foster home, increase the length of time a child may remain in an independent foster home from 90 days to 180 days, and allow placements longer than 180 days in certain cases. Currently, children may be placed into an independent foster home only through an entrustment agreement, which transfers the custody of the child to the foster home and only for up to 90 days without exceptions. The proposed changes will allow placement through a “placement agreement” which allows the parents to keep the custody of the child. Additionally, parents will be able to leave the child in these foster homes for a longer period of time and in case of military deployment or illness they will be able to extend the length of placement over 180 days. These changes will provide additional options, or greater flexibility to the parents or legal guardians. Thus, parents or legal guardians are likely to benefit from these changes, as they are likely to exercise these options if they expect to benefit from them. The additional flexibility provided to parents is unlikely to hurt independent foster homes, as a mutual agreement must be reached between the two parties.

A number of proposed changes will update the minimum health and safety standards. These include deleting exemptions to some of the training requirements, adding training requirements for first aid and cardiopulmonary resuscitation, strengthening the prohibitions related to persons with traffic violations transporting children, listing poison control telephone numbers by the phone, requiring child resistant covers for electric outlets not only for preschool

children but also for developmentally delayed children of a comparable maturity, requiring personnel to be able to communicate in English, establishing immunization requirements for pets, prohibiting physical restraint techniques, including the requirements for background checks for all adult household members and other adults involved in the day-to-day operations, updating the medical requirements for caregivers and household members, etc. At the aggregate, these changes have the potential to increase compliance costs through expenditures on equipment, training, background checks, and staff time and probably improve health and safety of children placed in independent foster homes. However, all of the current licensed independent foster homes are also approved to accept children from either the local departments of social services or a licensed child-placing agency and therefore may already be in compliance with some or all of the proposed changes. Thus, the potential economic effects of the proposed health and safety requirements are probably not significant.

### **Businesses and Entities Affected**

The proposed regulations particularly affect the three licensed independent foster homes, potential future providers, the children in these homes, and their parents and legal guardians.

### **Localities Particularly Affected**

The proposed changes are statewide.

### **Projected Impact on Employment**

No significant effect on employment is expected.

### **Effects on the Use and Value of Private Property**

The proposed regulations are not anticipated to create any significant effect on the use and value of private property.